

**SELECTION OF CONTRACTOR  
FOR THE  
LIFE SCIENCES SERVICES CONTRACT  
AT THE  
JOHN F. KENNEDY SPACE CENTER**

On November 27, 2001, I, as the designated Source Selection Authority (SSA) for the subject acquisition, along with other senior officials of the John F. Kennedy Space Center (KSC), met with the Source Evaluation Board (SEB) appointed to evaluate proposals for the Life Sciences Services Contract at the John F. Kennedy Space Center.

**PROCUREMENT DESCRIPTION**

The objective of this procurement is to acquire a broad range of life sciences services for NASA. These services include medical operations for both shuttle and space station programs, environmental compliance and stewardship, life sciences payloads operations, agency occupational health, biological science, life sciences payload development, workforce protection, fitness and musculoskeletal rehabilitation, and education outreach. These services require appropriate management, operations, and maintenance of associated facilities, systems, equipment, support services, and specified technical/administrative capabilities for current and future NASA programs and activities at KSC and other designated sites. These services also depend on the contractor's successful activation of, and transition to, the Space Experiment Research & Processing Laboratory (SERPL) in the second year of the contract, or as soon as the new facility becomes available. The SERPL is designed to replace existing outdated facilities.

The purpose of this procurement is to obtain a contractor to provide services for future required LSSC work. The work contemplated by this procurement will be cost reimbursable work and will be accomplished through a cost plus award fee contract, with a performance fee feature. A determination was made that a performance based statement of work was appropriate for this procurement pursuant to the guidance in Federal Acquisition Regulation (FAR) Subpart 37.6, Performance Based Contracting (PBC), implementing OFPP Policy Letter 91-2, Service Contracting. The performance period of the contract is contemplated to be seven (7) years and nine (9) months. The performance period includes a base period of three (3) years and (9) months (to align the contract with the fiscal year) due to run from January 1, 2002 through September 30, 2005 and two (2) two (2) year options (October 2005 through September 2007, and October 2007 through September 2009). The contract also contemplates a not-to-exceed (NTE) 30 day phase in period which would commence immediately following award.

On November 21, 2000, a Procurement Development Team (PDT) was appointed by the Center Director. They were given direction to develop a draft request for proposal including a performance based statement of work. On January 16-19, 2001, the PDT held one-on-one discussions with nine prospective firms. Thereafter, KSC issued a draft Request for Proposals (RFP) on May 15, 2001 and held a two-day site visit, May 22-23, 2001, that was attended by 17 prospective firms.

On June 12, 2001, the SSA appointed a SEB for the purpose of evaluating proposals received in response to the solicitation for the LSSC at KSC. On June 15, 2001, KSC issued a final RFP soliciting offers for this contract. Five amendments to the solicitation were issued by the Contracting Officer to provide answers to the written questions submitted, and for other minor changes to the RFP.

The procurement was conducted as a total small business set aside under NAICS code 541710 with a small business size standard of 1000 employees.

The source list of potential offerors was included on the LSSC Acquisition Web Page that was active throughout the duration of the acquisition. The RFP and its amendments were posted on the LSSC web page as well as on the NASA Acquisition Internet Service and the offerors were able to download the RFP and any amendments from this service. A technical resource library was established to provide information to those interested in the procurement. There were 36 companies that asked to be placed on the interested parties list for this procurement, and proposals were received from two offerors who with their major subcontractors were:

**Dynamac Corporation (DYN) – Rockville, MD**

- The Bionetics Corp. – Newport News, VA

**Comprehensive Health Services, Incorporated (CHS) – Vienna, VA**

- Wyle Laboratories – Houston, TX

**EVALUATION PROCESS**

The RFP prescribed three evaluation factors, consisting of Mission Suitability, Cost, and Past Performance. Mission Suitability was composed of the following sub factors:

TECHNICAL APPROACH

MANAGEMENT APPROACH AND KEY PERSONNEL

SAFETY AND HEALTH PLANNING

The RFP contained explanations of the sub factors and specified their relative importance by assignment of numerical weights.

In addition, as provided in the RFP, the SEB evaluated but did not numerically score Cost and Past Performance.

A trade-off process was used in making the source selection. The RFP states that “[a]ll evaluation factors other than cost or price, when combined, are approximately equal to the cost factor. As individual factors, the past performance factor is less important than the mission suitability factor.”

For Past Performance, the SEB evaluated relevant information regarding the offeror’s performance, including the performance of major subcontractors, under previously awarded contracts similar to the scope, size and complexity of this procurement. This past performance information was evaluated to assess the offeror’s ability to perform the LSSC successfully. Relevant performance included the accomplishment of work similar

to that required under this procurement that has occurred at least in part during the last three years immediately preceding the release of this RFP. The evaluation focused on technical, schedule and cost performance.

For the Cost factor, the evaluation focused on the validity, realism and adequacy of the cost proposal and the probable cost that will be incurred in performance of the LSSC contract. The SEB evaluated cost differences between the proposals and identified and weighed features that could cause one proposal to cost more or less than the other, including proposal risk areas. A cost confidence adjective was assigned to the most probable cost for each proposal. A structured approach was set forth in the RFP to adjust an offeror's overall Mission Suitability score based on the degree of cost realism. Point adjustments were prescribed when the percentage difference between proposed cost and probable cost exceeded 5%.

The SEB utilized evaluators in appropriate disciplines to provide specific expertise needed in the evaluation process. The SEB evaluators were assigned to evaluate their specific areas of expertise and they provided findings, or requests for clarifications, back to the SEB. Using the analyses of these evaluators, the pre-determined evaluation criteria, and their own findings, the SEB developed and assessed the strengths and weaknesses, and rated and scored each proposal. This produced the initial ranking of proposals for Mission Suitability, a probable cost assessment, an adjectival rating for the past performance area, and the determination of those in the competitive range.

Both offerors were determined to be within the competitive range. Written and oral discussions were held with both, and they were requested to submit Final Proposal Revisions (FPR) (including a proposed model contract signed by the offeror) by a common cut-off date of October 24, 2001. Following the same procedure as before, the SEB then made its final ranking of the proposals for Mission Suitability, completed its evaluation of all factors, developed probable cost for each proposal, and reported its findings to the SSA.

### **MISSION SUITABILITY EVALUATIONS**

Proposals found to be in the competitive range as a result of the initial evaluation were ranked by the SEB in the following order for Mission Suitability:

1. CHS
2. DYN

As a result of the FPRs, the relative rankings for Mission Suitability resulted in DYN being ranked first and CHS second. Scores for both offerors increased. The substance of the SEB's evaluation of the proposals with regard to Mission Suitability follows:

#### **DYN**

The DYN proposal received the highest overall score and an overall adjective rating of "Very Good." The SEB assessed the DYN proposal to be higher rated in the Mission Suitability Technical Approach and Safety and Health Planning sub factors, and equal to CHS in the Management sub factor. Significant strengths of the DYN proposal were: a comprehensive understanding of Advanced Life Support (ALS) and bioregenerative components definition requirements; an exceptional approach to contract management

and teaming which capitalizes on the cross contract synergies and develops staffing efficiencies; and a comprehensive Internal Surveillance Plan that demonstrates a full understanding of performance based contracting methodology.

The SEB reported no significant weaknesses on the DYN proposal.

### **CHS**

The CHS proposal received the second highest overall score and overall adjectival rating of "Good." The SEB assessed CHS to be second in the Technical Approach and Safety and Health Planning sub factors, and equal to DYN in the Management sub factor. One significant strength of the CHS proposal was identified as a comprehensive approach to performance based program/contract management.

The SEB reported no significant weaknesses on the CHS proposal.

### **PAST PERFORMANCE**

In its evaluation of Past Performance, the SEB found both DYN and CHS to be "Very Good." The rating of both offerors on this factor was based on the composite rating of the prime and its major subcontractors. The SEB's assessment indicated that both DYN and CHS have demonstrated performance on recent, relevant contracts which, by itself, provides great confidence that either company, if awarded the contract, will meet or exceed requirements in performing the LSSC with little or no government oversight or intervention required to achieve the proposed level of performance.

### **COST**

The Cost evaluations were based upon the companies' proposed costs and fees for the three- year, nine month base contract period and the two, two-year priced option periods. The SEB evaluated the validity, reasonableness, adequacy and realism of the proposed costs, and made its assessment of the probable cost that would be incurred in actual performance. This assessment included adjustments to reflect corrections due to omissions, weaknesses and other considerations.

In accordance with the provisions in the RFP prescribing structured point adjustments in Mission Suitability scores based on the degree of cost realism, no adjustments were necessary to either offerors' Mission Suitability score. The percentage difference between proposed cost and probable cost did not exceed 5% in either case.

In the initial proposals, CHS's proposed cost was substantially lower than DYN's proposed cost. In their respective FPR's, however, DYN decreased its proposed cost significantly while CHS slightly increased its proposed cost, making the DYN proposal lower in proposed cost. The SEB made minor adjustments to the DYN cost proposal for errors in the escalation of the SERPL lease cost and to bring several clerical positions into compliance with the Service Contract Act, slightly increasing its probable cost to the government. No other probable cost adjustments were necessary. The SEB made no adjustments to the CHS cost proposal. After probable cost adjustments, the DYN proposal remained somewhat lower in most probable cost than the CHS proposal. The SEB expressed a high level of confidence in its probable cost assessment for CHS, and a moderately high level of confidence in its probable cost assessment for DYN.

## DECISION

At the conclusion of the Source Evaluation Board presentation on November 27, 2001, I asked the Board members and managers in attendance if there were any additional comments or points that they would like to provide. There were none. Following the presentation, I met in executive session with senior key officials who had heard the presentation. These officials are those who carry responsibilities related to the procurement and the acquisition process and/or the customers who will be utilizing the services of the LSSC. Their views were solicited and received.


First, I noted that the DYN proposal was ranked first in Mission Suitability with an overall score in the "Very Good" range. The proposal from CHS was ranked second in Mission Suitability with an overall score in the "Good" range. In order to better understand the basis of the different scores, I examined the scores given for each of the sub factors. Both proposals received a score of "Very Good" for the Management sub factor with no discriminators between the proposals. Both proposals received a score of "Good" for the Safety and Health Planning sub factor, however DYN's proposal was rated at the highest end of the "Good" Range, and the CHS proposal was ranked near the low end of the same range. For the Technical Approach sub factor, which is the most heavily weighted sub factor, the DYN proposal was ranked "Very Good", and the CHS proposal was ranked "Good".

Next, I considered the Cost proposed by both companies, and analyzed the SEB's probable cost assessments for each proposal. I noted that the SEB's adjustments had increased the costs proposed by DYN by a slight amount. Even with this slight adjustment upward, the DYN proposal had the lower most probable cost of the two offerors. The SEB provided a moderately high confidence rating in its probable cost adjustment for DYN, and a high confidence rating in the probable cost for CHS.

In considering Past Performance, I noted that both offerors were rated "Very Good."

The foregoing analysis resulted in my conclusion that the primary discriminators were the Mission Suitability evaluation and Cost. I concluded that DYN presented a superior proposal in Mission Suitability, in addition to having the lowest probable cost. DYN's superior Mission Suitability proposal and identified significant strengths, as reflected by its much higher Mission Suitability score, along with the fact that DYN's probable cost was somewhat lower than that of CHS, clearly supports my finding that the DYN proposal offers the best value to the government.

Based on the above, I selected Dynamac Corporation for award of the LSSC.

  
Roy D. Bridges, Jr., Director  
John F. Kennedy Space Center  
Source Selection Authority

12-10-01  
Date